



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

SB2585

Introduced 5/29/2013, by Sen. Dan Kotowski - Mattie Hunter

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Public Aid Code and the Illinois Insurance Code. Requires the Department of Healthcare and Family Services and the Department of Insurance to jointly develop a uniform prior authorization form for prescription drug benefits on or before July 1, 2014. Provides that on and after January 1, 2015, or 6 months after the form is developed, whichever is later, every prescribing provider may use that uniform prior authorization form to request prior authorization for coverage of prescription drug benefits and every health care service plan shall accept that form as sufficient to request prior authorization for prescription drug benefits. Provides that on and after January 1, 2015, a health insurer that provides prescription drug benefits shall utilize and accept the prior authorization form when requiring prior authorization for prescription drug benefits; and that if a health care service plan fails to utilize or accept the prior authorization form, or fails to respond within 2 business days upon receipt of a completed prior authorization request from a prescribing provider, the prior authorization request shall be deemed to have been granted. Exempts certain providers. Sets forth certain criteria for the prior authorization form. Provides that "prescribing provider" includes a provider authorized to write a prescription as described in the Pharmacy Practice Act. Effective January 1, 2014.

LRB098 12068 KTG 45784 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding  
5 Section 364.3 as follows:

6 (215 ILCS 5/364.3 new)

7 Sec. 364.3. Uniform prior authorization form; prescription  
8 benefits.

9 (a) Notwithstanding any other provision of law, on and  
10 after January 1, 2015, a health insurer that provides  
11 prescription drug benefits shall utilize and accept the prior  
12 authorization form developed pursuant to subsection (c) when  
13 requiring prior authorization for prescription drug benefits.

14 (b) If a health insurer fails to utilize or accept the  
15 prior authorization form, or fails to respond within 2 business  
16 days upon receipt of a completed prior authorization request  
17 from a prescribing provider, pursuant to the submission of the  
18 prior authorization form developed as described in subsection  
19 (c), the prior authorization request shall be deemed to have  
20 been granted.

21 (c) On or before July 1, 2014, the Department and the  
22 Department of Healthcare and Family Services shall jointly  
23 develop a uniform prior authorization form. Notwithstanding

1 any other provision of law, on and after January 1, 2015, or 6  
2 months after the form is developed, whichever is later, every  
3 prescribing provider may use that uniform prior authorization  
4 form to request prior authorization for coverage of  
5 prescription drug benefits and every health insurer shall  
6 accept that form as sufficient to request prior authorization  
7 for prescription drug benefits.

8 (d) The prior authorization form developed pursuant to  
9 subsection (c) shall meet the following criteria:

10 (1) The form shall not exceed 2 pages.

11 (2) The form shall be made electronically available by  
12 the Department and the health insurer.

13 (3) The completed form may also be electronically  
14 submitted from the prescribing provider to the health  
15 insurer.

16 (4) The Department and the Department of Healthcare and  
17 Family Services shall develop the form with input from  
18 interested parties from at least one public meeting.

19 (5) The Department and the Department of Healthcare and  
20 Family Services, in development of the standardized form,  
21 shall take into consideration the following:

22 (A) Existing prior authorization forms established  
23 by the federal Centers for Medicare and Medicaid  
24 Services and the Department of Healthcare and Family  
25 Services.

26 (B) National standards pertaining to electronic

1           prior authorization.

2           (e) For purposes of this Section, "prescribing provider"  
3 includes a provider authorized to write a prescription, as  
4 described in subsection (e) of Section 3 of the Pharmacy  
5 Practice Act, to treat a medical condition of an insured.

6           Section 10. The Illinois Public Aid Code is amended by  
7 adding Section 5-5.12b as follows:

8           (305 ILCS 5/5-5.12b new)

9           Sec. 5-5.12b. Uniform prior authorization form;  
10 prescription benefits.

11           (a) Notwithstanding any other provision of law, on and  
12 after January 1, 2015, a health care service plan that provides  
13 prescription drug benefits shall utilize and accept the prior  
14 authorization form developed pursuant to subsection (c) when  
15 requiring prior authorization for prescription drug benefits.  
16 This Section does not apply in the event that a physician or  
17 physician group has been delegated the financial risk for  
18 prescription drugs by a health care service plan and does not  
19 use a prior authorization process. This Section does not apply  
20 to a health care service plan, or to its affiliated providers,  
21 if the health care service plan owns and operates its  
22 pharmacies and does not use a prior authorization process for  
23 prescription drugs.

24           (b) If a health care service plan fails to utilize or

1 accept the prior authorization form, or fails to respond within  
2 2 business days upon receipt of a completed prior authorization  
3 request from a prescribing provider, pursuant to the submission  
4 of the prior authorization form developed as described in  
5 subsection (c), the prior authorization request shall be deemed  
6 to have been granted.

7 (c) On or before July 1, 2014, the Department and the  
8 Department of Insurance shall jointly develop a uniform prior  
9 authorization form. Notwithstanding any other provision of  
10 law, on and after January 1, 2015, or 6 months after the form  
11 is developed, whichever is later, every prescribing provider  
12 may use that uniform prior authorization form to request prior  
13 authorization for coverage of prescription drug benefits and  
14 every health care service plan shall accept that form as  
15 sufficient to request prior authorization for prescription  
16 drug benefits.

17 (d) The prior authorization form developed pursuant to  
18 subsection (c) shall meet the following criteria:

19 (1) The form shall not exceed 2 pages.

20 (2) The form shall be made electronically available by  
21 the Department and the health care service plan.

22 (3) The completed form may also be electronically  
23 submitted from the prescribing provider to the health care  
24 service plan.

25 (4) The Department and the Department of Insurance  
26 shall develop the form with input from interested parties

1 from at least one public meeting.

2 (5) The Department and the Department of Insurance, in  
3 development of the standardized form, shall take into  
4 consideration the following:

5 (A) Existing prior authorization forms established  
6 by the federal Centers for Medicare and Medicaid  
7 Services and the Department.

8 (B) National standards pertaining to electronic  
9 prior authorization.

10 (e) For purposes of this Section, "prescribing provider"  
11 includes a provider authorized to write a prescription, as  
12 described in subsection (e) of Section 3 of the Pharmacy  
13 Practice Act, to treat a medical condition of an enrollee.

14 Section 99. Effective date. This Act takes effect January  
15 1, 2014.

1 INDEX

2 Statutes amended in order of appearance

3 215 ILCS 5/364.3 new

4 305 ILCS 5/5-5.12b new